

the facts alleged in the Amended Complaint in the light most favorable to the Plaintiff. The Court is limited to a review of the Complaint. Mattes v. ABC Plastics, Inc., 323 F.3d 695, 698 (8th Cir. 2003).

“To determine whether a mark is distinctive and thus entitled to trademark protection, we must first categorize it as generic, descriptive, suggestive, or arbitrary.” Schwan’s IP, LLC v. Kraft Pizza Co., 460 F.3d 971, 974 (8th Cir. 2006). A generic term is not entitled to any protection because it only “indicates the basic nature of the product” and thus cannot be taken from the public domain “even if it becomes associated with only one source.” Id. (quotations omitted). Descriptive terms identify “the ingredients, characteristics, qualities, or other features of the product and may be used as a trademark only if [they have] acquired a secondary meaning.” Id.

In arguing that “Auction Ad Builder” and “Auction Ad Builder Pro” are generic terms, Defendant relies only on the words employed. This is satisfactory in some circumstances, but only if the terms are so obviously generic that the court can declare, as a matter of law, that the terms are generic and not descriptive. E.g., Best Buy Warehouse v. Best Buy Co., 920 F.2d 536, 537 (8th Cir. 1990) (per curiam), cert. denied, 501 U.S. 1252 (1991) (affirming district court’s determination that the phrase “best buy” is generic as a matter of law). More often, however, the defending party is required to present evidence demonstrating the public’s understanding of the term. E.g., Schwan’s IP, 460 F.3d at 974-75; In re Merrill Lynch, Pierce, Fenner, & Smith, Inc., 828 F.2d 1567, 1570 (Fed. Cir. 1987). The terms at issue are not obviously generic,² and Defendant has not presented any evidence demonstrating the public’s understanding of these terms. The Court cannot presently conclude the terms are generic.

²It does not appear that a computer program called “Auction Ad Builder” or “Auction Ad Builder Pro” is a generic product. More likely, these names are best considered descriptive because they identify the characteristics, qualities, or features of an otherwise generic product – a computer program. The Court does not mean to imply Defendant cannot obtain evidence and present the issue in a motion for summary judgment; the Court is merely explaining why it cannot rule, as a matter of law, that the terms are generic.

Defendant's Motion to Dismiss is denied.

IT IS SO ORDERED.

DATE: January 9, 2008

/s/ Ortrie D. Smith
ORTRIE D. SMITH, JUDGE
UNITED STATES DISTRICT COURT